

Message Text

UNCLASSIFIED POSS DUPE

PAGE 01 BLANTY 00370 191053Z

41

ACTION AF-18

INFO OCT-01 ISO-00 AID-20 CIAE-00 COME-00 EB-11 FRB-02

INR-10 NSAE-00 RSC-01 TRSE-00 XMB-07 OPIC-12 SPC-03

CIEP-02 LAB-06 SIL-01 OMB-01 AGR-20 DOTE-00 IO-14

EUR-25 STR-08 CEA-02 DRC-01 PA-04 PRS-01 USIA-15 L-03

/188 W

----- 008874

R 190925Z MAR 74

FM AMEMBASSY BLANTYRE

TO SECSTATE WASHDC 6901

INFO AMEMBASSY MBABANE

AMEMBASSY NAIROBI

UNCLAS BLANTYRE 0370

MBABANE FOR OSARAC

NAIROBI FOR REDSO/EA

E.O. 11652: N/A

TAGS: ECON, EAID, MI

SUBJECT: MALAWI'S 1974-75 DEVELOPMENT PROGRAM AND OTHER
BUDGET HIGHLIGHTS

1. IN PRESENTING BUDGET TO PARLIAMENT MARCH 15 MINISTER OF FINANCE
MATENJE STATED ESTIMATES OF EXPENDITURES ON DEVELOPMENT ACCOUNT FOR
1974-75 TOTAL K49.74 MILLION, UP FROM K34.38 MILLION IN 1973-74.

K14.6 MILLION ALLOTTED TO MINISTRY OF AGRICULTURE AND NATURAL
RESOURCES AND K14.22 MILLION TO TRANSPORTATION, SUBSTANTIAL PART
COMING FROM CANADIAN RAILWAY LOAN. ELECTRIC POWER AND POSTS AND
COMMUNICATIONS ACCOUNT FOR K4.31 MILLION AND EDUCATION, HEALTH,
HOUSING, WATER SUPPLIES AND SANITATION COMBINED K7.3 MILLION.

EXPENDITURES ON NEW CAPITAL OF LILONGWE WILL FALL TO K1.79 MILLION.

AVERAGE INTEREST ON TOTAL EXTERNAL DEBT TO DATE IS VERY LOW AND
CONTINUING TO FALL, WHILE AVERAGE REPAYMENT PERIOD IS VERY LONG

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 BLANTY 00370 191053Z

AND CONTINUING TO LENGTHEN. AS IN PAST BULK OF FINANCING WILL BE
IN FORM OF LOANS ON ESPECIALLY FAVORABLE TERMS OR GRANTS. HOWEVER,

K9 MILLION TO BE BORROWED LOCALLY.

2. MINISTER STATED "FOR THIS CONTINUED AND MOST GENEROUS ASSISTANCE, ONCE AGAIN I MUST NOT FAIL TO EXPRESS THE VERY REAL GRATITUDE OF GOVERNMENT, OF THIS HOUSE AND OF PEOPLE OF MALAWI. AT SAME TIME I MUST REPEAT THE ASSURANCE--VALUE OF WHICH HAS, I FEEL I CAN VERY SAFELY CLAIM, BEEN CONVINCINGLY DEMONSTRATED BY OUR PAST PERFORMANCE, THAT THESE FUNDS WILL BE USED PROPERLY AND MOST EFFECTIVELY IN DEVELOPMENT OF MALAWI FOR BENEFIT OF ALL ITS PEOPLE."..INTERNATIONAL

RECOGNITION OF MALAWI'S DEVELOPMENT ACHIEVEMENTS EXPRESSED IN THE MOST GENEROUS AND PRACTICAL FORM OF EVER-INCREASING FLOW OF EXTERNAL FINANCE FOR PROGRAM WHICH IS PROVIDED BY FRIENDLY GOVERNMENTS, ORGANIZATIONS AND INTERNATIONAL INSTITUTIONS..."

3. ACCORDING TO MINISTER NET EXTERNAL RESERVES MORE THAN DOUBLED FROM K26.7 MILLION AT END OF 1972 TO K56.1 MILLION AT END OF 1973. PRESENT LEVEL OF EXTERNAL RESERVES PROVIDES COVER FOR SIX MONTHS IMPORTS AT PRESENT MONTHLY RATE. VALUE OF DOMESTIC EXPORTS IN 1973 WAS 24 PERCENT HIGHER THAN IN 1972. IMPORTS INCREASED 10 PERCENT DUE ENTIRELY TO HIGHER AVERAGE PRICES. OVERALL VOLUME OF IMPORTS FELL IN 1973 AS IN 1972.

4. ON REVENUE ACCOUNT WHICH NO LONGER ASSISTED BY BRITISH BUDGETARY AID MINISTER REPORTED SURPLUS OF OVER K720,000 FOR 1973-74 RESULTING IN ACCUMULATED SURPLUS OF K1.61 MILLION FOR LAST TWO YEARS. TOTAL EXPENDITURES ON REVENUE ACCOUNT FOR 1973-74 PROJECTED AT K67.6 MILLION, INCREASE OF SOME K6.16 MILLION OVER PREVIOUS YEAR. MINISTER ANNOUNCED THAT FOR THIRD YEAR RUNNING THERE WOULD BE NO NEW TAXES OR INCREASES IN RATES.
BURDETT

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: BUDGETS, EXPENDITURES, DEVELOPMENT PROGRAMS, LOANS
Control Number: n/a
Copy: SINGLE
Draft Date: 19 MAR 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974BLANTY00370
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: BLANTYRE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740333/aaaabfac.tel
Line Count: 92
Locator: TEXT ON-LINE
Office: ACTION AF
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: WorrelSW
Review Comment: n/a
Review Content Flags:
Review Date: 17 JUL 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <17 JUL 2002 by elbezefj>; APPROVED <06 DEC 2002 by WorrelSW>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: MALAWI'S 1974-75 DEVELOPMENT PROGRAM AND OTHER BUDGET HIGHLIGHTS
TAGS: ECON, EAID, MI
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005